REMARKS/ARGUMENT

In the Office Action dated January 21, 2005, claims 1, 3, 6, 8, 9, 11-15, 20, 36-38, 43, 45, 48, 50, 54, 62, 66, 74, 77, 79-81, 83, 87, 90, 94, 95, 98, 169, 206, 230 and 256-262 were subjected to a restriction and/or election requirement. The Restriction Groups were set out as follows:

- **Group I.** Claims 1, 3, 6, 8, 9, 11-15, 17, 20 and 36-38, drawn to a fluid system (Class 507/subclass 111).
- **Group II.** Claims 43, 45, 48, 50, 54, 62 and 66, drawn to a fluid system (Class 507/subclass 212).
- **Group III.** Claims 74, 77, 79-81, 83, 87, 90, 94 and 95, drawn to a fluid system (Class 507/subclass 140).
- Group IV. Claim 98, drawn to a fluid system (Class 507/subclass 102).
- Group V. Claims 256-262, drawn to a method of sealing a formation during fluid injection (Class 166/subclass 283).
- Group VI. Claim 169, drawn to a method of sealing a formation during fluid injection (Class 166/subclass 292).
- Group VII. Claim 206, drawn to a method of emplacing a pill in a formation for sealing a lost circulation zone (Class 175/subclass 72).
- Group VIII. Claim 230, drawn to a method of creating a tortuous bed within a formation (Class 166/subclass 281).

Election

Applicants elect to prosecute the claims of Group I (claims 1, 3, 6, 8, 9, 11-15, 17, 20 and 36-38), drawn to a fluid system. Applicants are canceling the claims in Groups II, III, IV, VI and VIII. The claims of Groups V and VII stand withdrawn.

New Claims

Applicants are submitting new claims 263 - 267 that are properly included in the elected Group I. All of these new claims are supported by the specification and original claims, and it should be noted that they include the limitations of independent claim 1, which forms the basis for the elected Group I. The new claims also include various limitations from dependent claims in Group I. More specifically, new independent claim 263 combines limitations of claim 1 and 20; new independent claim 264 combines limitations of claim 1, 20 and 14; new independent claim 265

combines limitations of claim 1, 20 and 15; new independent claim 266 combines limitations of claim 1, 20 and 17; and new independent claim 267 combines limitations of claim 1, 3, 11 and 20. Therefore, the newly presented claims fall within the same Patent Class and subclass and should be examined with the other claims of Group I.

The Examiner is invited to telephone the undersigned representative to facilitate the resolution of any unresolved issues pertaining to restriction groups and election. Should any fees have been inadvertently omitted, or if any additional fees are required or have been overpaid, please appropriately charge or credit those fees to Deposit Account Number 03-2769 of Conley Rose, P.C., Houston, Texas, and consider this a petition for any necessary extension of time.

Respectfully submitted,

Leslie V. Payne Reg. No. 38,267

CONLEY ROSE, P.C.

P. O. Box 3267

Houston, Texas 77253-3267

Tel: (713) 238-8000 Fax: (713) 238-8008

ATTORNEY FOR APPLICANTS